

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30th JUDICIAL CIRCUIT
INGHAM COUNTY

MICHAEL A. COX, Attorney General
of the State of Michigan, on behalf of the
People of the State of Michigan,

Plaintiff

Hon. Paula J. M. Manderfield

Number: 03-154-CZ

v

MERCURY MARKETING OF DELAWARE,
INC., a Pennsylvania corporation,
GOINTERNET.NET, INC., a Delaware Corporation,
and NEAL D. SAFERSTEIN, individually and as an officer
of the corporations.

Defendants.

**STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT
INJUNCTION**

The parties, Plaintiff Michael A. Cox, Attorney General of the State of Michigan, on behalf of the People of the State of Michigan, and Defendants Mercury Marketing of Delaware, Inc., GoInternet.net, Inc., and Neal Saferstein, have agreed to entry of this Final Judgment and Order for Permanent Injunction to resolve all matters of dispute between them with respect to the claims alleged in the Complaint and First Amended Complaint. In stipulating to the entry of this Final Judgment and Order for Permanent Injunction, the mutual objective of the parties is to settle and resolve, with finality and without trial, adjudication, or appeal of any issue of fact or law, the claims alleged in the Complaint and First Amended Complaint.

Stipulation to this final Judgment and Order for Permanent Injunction is neither an admission of liability nor an admission of any factual allegations of the Complaint and First Amended Complaint.

NOW THEREFORE, the parties having requested the Court to enter this Order, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

I. DEFINITIONS

1. As used in this Final Judgment and Order for Permanent Injunction:

A. "Order" means this Final Judgment and Order for Permanent Injunction.

B. "Defendants" means Mercury Marketing of Delaware Inc., GoInternet.net, Inc. and Neal D. Saferstein, individually and as an officer of Mercury Marketing of Delaware, Inc. and GoInterent.net, Inc. "Defendants" also means any other name or entity through which Mercury Marketing of Delaware, Inc. and GoInternet.net, Inc. or Neal Saferstein conduct any business, including but not limited to Venus Voice Mail Services, Venus Marketing, Inc., Mercury Internet Services, MIS, Mercury Internet Services Wireless, Mercury Internet & Wireless Services and Mercury Marketing Technologies of Delaware.

C. "CPD" means the Consumer Protection Division, Michigan Department of Attorney General.

D. "Michigan consumer" means any person, corporation, business, nonprofit organization, religious institution, governmental agency or other entity located in the State of Michigan.

E. With respect to written communications to Michigan consumers, (including but not limited to written purchase agreements or confirmation of purchase),

"clear and conspicuous" means that the required disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend. A disclosure is not clear and conspicuous if, among other things, it is located within a paragraph that by its entitlement refers to a topic unrelated to the disclosure and contains information unrelated to the disclosure. (By example, disclosures relating to cost shall not be located within a paragraph entitled "Mercury Internet Services Privacy Term Information" which contains information relating to consumer data sharing.)

II. INJUNCTION

2. Defendants, directly or through any person, corporation, partnership, subsidiary, division, or other device, including but not limited to any successor corporation or other person or entity described in paragraph 11, below, are permanently restrained and enjoined from:

A. Charging or otherwise attempting to collect payment from any Michigan consumer for goods or services:

i. without first obtaining express, written authorization that the Michigan consumer being charged has agreed to purchase and be charged for the goods or services. For purposes of this section, express written authorization means the buyer's signature to a written agreement or offer to purchase which designates as the date of the transaction the date on which the buyer actually signs and complies in form and content with Section 3 of the Michigan Home Solicitation Sales Act, MCL 445.113, and

ii. if, in making the sale giving rise to any charge, the sales person made a false or misleading statement or other misrepresentation or engaged in any other deceptive act in selling the goods or services;

B. Failing to disclose, clearly and conspicuously, prior to charging a Michigan consumer for any goods or services, all material terms of the transaction including but not limited to:

i. that Defendants intend to charge consumers or cause consumers to be charged for such services;

ii. the amount of the intended charges;

iii. the dates the intended charges will be assessed, to the extent that Defendants' have knowledge of the same;

iv. the intended method of charging; and

v. Defendants' policies concerning cancellations and refunds;

C. Representing, expressly or by implication, to any Michigan consumer that the consumer is not making a purchasing decision by accepting the Defendants' offer, if in fact, acceptance of the Defendants' offer will cause the consumer to be billed unless he or she cancels the order.

D. If the Defendants represent to any Michigan consumer that they will refund or credit charges made to the consumer, failing to provide such refund or credit within a reasonable time, but not more than 60 days;

E. Providing or disclosing, whether or not in exchange for payment or other consideration, to any party, the names, addresses, telephone numbers, credit card numbers, or bank account numbers of, or other information relating to Michigan consumers who at any time received a refund or credit from Defendants, including, but

not limited to consumers who received a refund or credit pursuant to paragraphs 3,4 or 5, below. Provided, however, Defendants may provide such information to CPD or to a law enforcement agency either voluntarily or as required by any law, regulation, or court order.

III. CONSUMER REDRESS

3. Defendants shall cancel the contract of and provide a credit or refund to every Michigan consumer who was charged for any of the Defendants' products or services, has not used the product/services, and requested or requests refund or credit by complaint filed with CPD or any other regulatory agency alleging generally that the charges were unauthorized. (No specific language is required.) Such credit or refund shall be in the amount equal to all charges charged to each such consumer for the Defendants' product or services since April 1, 2001, less any credit or refunds previously granted the consumer. In the event of dispute, CPD or its authorized representative, shall be the final arbitrator of whether a particular consumer is entitled to refund or credit pursuant to the provisions of this paragraph (3).

4. Within sixty (60) days following entry of this Order, Defendants shall mail a written notification to every existing Michigan customer providing clear and conspicuous notice to recipients that: (i) they have been or are being billed for Defendants' services through a local exchange carrier ("LEC"), together with the service provider name appearing on the LEC bill (by example, "Mercury ISDN") and information about what the service is; (ii) they have a right to cancel Defendants' services; and (iii) if they wish to cancel Defendants' services they should fill out an enclosed reply form and return it to Defendants.

A. The notification and reply form, which shall have been approved in advance by CPD, shall consist of a written notice and a self-addressed, postage paid reply form addressed to Mercury Marketing of Delaware, Inc or GoInternet.net, Inc., as applicable.

B. For purposes of this paragraph (4), an "existing Michigan customer" is a Michigan consumer who has been billed for Defendants' services through a LEC since March 1, 2003 and the date of entry of this Order with the Court, with the exception of consumers to whom billing has been terminated because of service cancellation.

C. Within twenty (20) days following entry of this Order, Defendants shall provide the undersigned counsel for the Plaintiff with an affidavit that includes a list of the name and last known address and telephone number, including the Billing Telephone Number, of every existing Michigan consumer qualified to receive a notification and reply form, as described above.

D. CPD is authorized to contact and otherwise communicate with Michigan consumers qualified to receive the notification and reply form, as described above, to assess, monitor, and otherwise assure compliance with the Consumer Redress provisions of this Order, without prior notice to Defendants.

5. In addition to the foregoing, Defendants shall cancel the contracts of and pay full refunds to every Michigan consumer who was charged for any of the Defendants' products or services and filed a complaint with CPD prior to the date that this Order is entered by the Court. Refund pursuant to this paragraph (5) shall be made by or before the date of Defendants' execution of this Order, by certified check paid to each such consumer in the amount equal to all charges billed to each such consumer, less any credits or refunds previously received by the consumer.

6. As to consumers whose contracts are canceled pursuant to paragraph 3, 4 or 5, above, Defendants shall not, directly or indirectly, engage in any collection activity (including but not limited to making a referral to a credit agency or sending a letter to a consumer stating the consumer's credit will be damaged if the consumer does not pay the amount purportedly owed), and shall take appropriate action to effect the removal of any negative entries on credit reports of consumers relating to charges by Defendants.

7. Defendants shall maintain records regarding notice and restitution provided pursuant to paragraphs 3, 4 and 5, above, from the date of entry of this Order, including the name, address, and telephone number of each consumer who receives or has received notice, credit or refund, including the date thereof, the amount of credit or refund, how it was calculated, including a list of all transactions by date, amount, and type of product or service for which the consumer was charged; which shall be provided to CPD within ten (10) days of written request by CPD.

IV. PAYMENT TO THE STATE

8. Defendants shall pay to the State of Michigan the sum of \$65,000.00 to reimburse the State for its legal, investigative, and administrative expenses. Payment in the amount of \$55,000.00 shall be made at the time of Defendants' execution of this Order in the form of a cashier's or certified check made payable to the State of Michigan, and remitted to Stewart Freeman, Assistant Attorney General in Charge, Consumer Protection Division, Office of the Attorney General, P.O. Box 30213, Lansing, Michigan 48909, with subsequent payment to be made in the same manner in the amount of \$10,000.00 within 30 days of the date that this Order is entered by the Court.

9. Defendants shall be subject to payment of the additional sum of \$15,000.00 as a civil penalty. Payment of this sum shall be suspended for so long as Defendants are in full compliance with the injunctive terms of this Order, as well as paragraph 8 above. The civil penalty provided herein shall be in addition to any other and further amount or penalty that the Court may impose in the event of Defendants' noncompliance with this Order.

V. RECORD KEEPING

10. Defendants shall maintain for at least twenty-four (24) months from the date of this Order, and upon ten (10) days advance written request provide to CPD, documents and records necessary to demonstrate compliance with this Order.

VI. GENERAL PROVISIONS

11. This Order shall apply to and bind Mercury Marketing of Delaware, Inc., GoInterent.net, Inc. and Neal Saferstein, individually and as officer of the corporate defendants, whether acting through agents, telemarketers, employees, subsidiaries, successors or assigns, or acting through any corporation or business entity whose acts, practices, or policies are directed, formulated, or controlled by Mercury Marketing of Delaware, Inc., GoInterent.net, Inc. or Neal Saferstein, and all other persons or entities in active concert or participation with the Defendants.

12. Defendants are responsible for providing notice to and informing all parties bound by this Order of the injunctive provisions herein, and shall be responsible for ensuring their compliance therewith.

13. Participation by any Defendant in any activity to form a separate entity or corporation for the purpose of engaging in acts prohibited by this Order or for any other

purpose that would circumvent any part of this Order shall be deemed as non-compliance with this Order.

14. Nothing in this Order shall be deemed or construed as a grant or permission to any Defendant to conduct any activities in violation of any applicable federal or Michigan laws or regulation.

15. Nothing in this Order shall be construed to deprive any consumer or other person or entity of any right to pursue any available remedy or remedies pursuant to applicable law nor create any private rights or causes of action in any third parties.

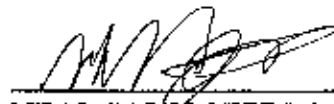
16. Nothing in this Order shall limit the enforcement authority of any other state, county or other governmental department or agency regarding any Defendant herein.

17. Each undersigned individual represents and warrants that he or she is fully authorized by the party they represent to enter into this Order and to legally bind such party to the terms and conditions of this Order.

STIPULATED AND AGREED TO BY:

For the Defendants:

Dated: 3/21/04


NEAL SAFERSTEIN, individually

Dated: 3/25/04

by: Joe Rocha, CFO
~~Neal Saferstein~~, authorized officer and Chief
Executive Officer of MERCURY MARKETING
OF DELAWARE, INC. AND
GOINTERNET.NET, INC.

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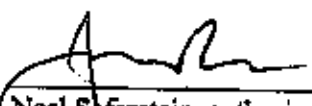
STIPULATED AND AGREED TO BY:

For the Defendants:

Dated: _____


NEAL SAFERSTEIN, individually

Dated: 3/25/04

 by: Joe Rocha, CFO
Neal Saferstein, authorized officer and Chief
Executive Officer of MERCURY MARKETING
OF DELAWARE, INC. AND
GOINTERNET.NET, INC.

Dated: 3-30-04

Jennifer Fitzgerald

Jennifer M. Fitzgerald (P60109)

Steven D. Weyhing (P30749)

Kelley Cawthorne, PLLC

Attorneys for Defendants

101 S. Washington Square, 9th Floor

Lansing, MI 48933

(517) 371-1400

For the Plaintiff:

MICHAEL A. COX, ATTORNEY GENERAL

Dated: 3/30/04

By: Kathy Fitzgerald

Kathy Fitzgerald (P31434)

Dated: 3-30-04

By: Nancy A. Piggush

Nancy A. Piggush (P28801)

Assistant Attorneys General

Attorneys for Plaintiff

Consumer Protection Division

525 W. Ottawa, 6th Floor

P.O. Box 30213

Lansing, MI 48909

(517) 335-0855

SO ORDERED, this 30 day of March, 2004

THOMAS L. BROWN

Honorable Paula J. M. Manderfield
Ingham County Circuit Court Judge